

DOOR TO DOOR

Tennessee Real Estate Commission Newsletter

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2019/2020 MEETING CALENDAR

December 4-5, 2019 Nashville	July 8-9, 2020 Nashville
January 8-9, 2020 Nashville	August 12-13, 2020 Nashville
February 4, 2020 Nashville	Sept. 9-10, 2020 Nashville
March 11-12, 2020 Nashville	October 8-9, 2020 East Tennessee
April 8-9, 2020 Nashville	Nov. 12-13, 2020 Nashville
May 7-8, 2020 West Tennessee	December 9-10, 2020 Nashville
June 10-11, 2020 Nashville	

LICENSING STATISTICS

PROFESSION	COUNT
Acquisition Agent License	171
Acquisition Agent Registration	42
Acquisition Representative	2,330
Affiliate Brokers	30,555
Designated Agent	133
RE Brokers	7,737
Real Estate Firm	4,224
Time Share Exempt	160
Time Share Registrations	34
Time Share Sale	1,115
Vacation Lodging Service	143

DIRECTOR'S NOTE



After a few months away, we are happy to send you the newest issue of "Door to Door" -- the Tennessee Real Estate Commission's newsletter! Our goal is to continue quarterly publication of this newsletter in order to keep you informed about changes in rules, process updates, and provide copies of our Disciplinary Action Report. I am pleased to report that we continue to streamline our processes. Currently, the time it takes for new licensees to apply for initial licensure is now at an all-time low. We have also reduced fees for initial applications, renewals, and other miscellaneous fees. (You can read more about that in our newsletter.) In closing, please feel free to contact us with your questions, concerns, or recommendations at trec.info@tn.gov.

Caitlin Maxwell, *Executive Director*

NEWS AND UPDATES

ATTORNEY GENERAL LLC OPINION

The Commission staff often receives the question: "Who is required to be licensed?" When we receive this question, we refer back to the definition of a broker and the Broker Act. Within the Act, there are exemptions for owners, attorneys in fact, and the officers of a corporation. But what about limited liability companies ("LLCs")? On September 16, 2019, the Department requested an updated opinion on this question from the Office of the Attorney General. The last opinion was given in 2014. In short, LLCs do not qualify for the corporation exemption. To read the full opinion, please see the link below to the updated opinion: <https://www.tn.gov/content/dam/tn/attorneygeneral/documents/ops/2019/op19-15.pdf>

EDUCATION INSTRUCTORS

At the September meeting, the Commission requested a clarification be distributed to education instructors that are also licensed as affiliates or brokers. Instructors teaching a course may not receive continued education credit for the course that they are teaching. This statement does not apply to the students that are enrolled in the course. All continued education ("CE") where a provider/instructor has listed their name on a submitted education roster will be immediately removed and disqualified. Any individual in violation may be subject to disciplinary action.

E&O PENALTY INCREASES

We are now well over the one hundred twenty (120) day mark for licensees who failed to renew their errors and omissions ("E&O") insurance in January of 2019. This means that the fee for E&O insurance has increased. Please see law below. Once a licensee is suspended due to E&O insurance for over a year, that license is automatically revoked.

TENN. CODE ANN. § 62-13-112. ERRORS AND OMISSIONS INSURANCE

(k)(B) For a license suspended for more than one hundred twenty (120) days but less than one (1) year, a penalty fee of five hundred dollars (\$500), plus an additional penalty fee of not more than one hundred dollars (\$100) per month for months six through twelve (6-12).

(l) (1) A license suspended more than one (1) year pursuant to this section shall be automatically revoked without any further action by the commission.

UPDATED FINGERPRINT INSTRUCTIONS

For any new agents, there is a revised finger print instruction form. The TBI and the vendor for fingerprints, IndentoGo, have updated their systems to give real estate agents a specific code. This should prevent errors of your fingerprints being set up for another program such as armed guards, real estate appraisers, etc. The new form can be found here: <https://www.tn.gov/content/dam/tn/commerce/documents/regboards/trec/forms/Fingerprint-Instructions.pdf>

LOW INCOME FEE WAIVER

If you have anyone joining your firm who currently receives state or federal public assistance such as Temporary Assistance for Needy Families (TANF), Medicaid, Supplemental Nutrition Assistance Program (SNAP), or other state or federal public assistance determined to qualify by the Commissioner ("Qualifying Program"), they may be eligible to receive a waiver of initial state licensure fees. This waiver of state licensure fees applies to applicants for initial individual licenses or business licenses where the owner-applicant qualifies for the fee waiver. Please be advised that this waiver applies to fees imposed by the state only, and you may be responsible for federal licensure fees, if applicable. For more information, you can review Tenn. Code Ann. § 62-76-105 and the below rule: https://publications.tnsosfiles.com/rules_all/2018/0780-05-11.20191103.pdf

NEWS AND UPDATES (CONT'D)

FEE REDUCTIONS

Effective November 3, 2019, the Tennessee Real Estate Commission (“the Commission”) has reduced fees for initial licensure and renewals as well as eliminated certain fees. All other requirements remain the same. A breakdown of the fee changes are below:

LICENSE AND FIRM FEE CHANGES

Initial License Application	\$91.00
Initial Firm Application	\$90.00
Initial Vacation Logging	\$90.00
Broker Upgrade from Affiliate	\$91.00
License Renewal	\$75.00
Change of Name with Proof	No Charge
Change of Address	No Charge
Duplicate License	No Charge

EDUCATION RELATED FEES

Course Not Exceeding 8 Hours	\$10.00
Course Not Exceeding 9-30 Hours	\$25.00
Course Exceeding 30 Hours	\$50.00

RULE CHANGES CAN BE FOUND HERE:

https://publications.tnsosfiles.com/rules_all/2018/1260-01.20191103.pdf

https://publications.tnsosfiles.com/rules_all/2018/1260-05.20191103.pdf

PRINCIPAL BROKERS: INFORMATION FOR YOUR FUTURE LICENSEES

Military Exemption: Armed forces personnel and their spouses may be exempt from licensure. The Commission and the Department’s Division of Regulatory Boards will offer an exemption from licensure, certification or permit for any person who is stationed in Tennessee as an active member of the United States Armed Forces, Reserves, or Tennessee National Guard unit, or their spouses. To qualify for exemption, the eligible person must:

1. Hold a valid license in the regulated profession issued by another state with reasonably similar standards for licensure. The valid license must be in good standing.
2. Agree to subject themselves to the jurisdiction of the Division with respect to harms or violations of the laws and rules; and
3. Register with the Division.

STAY UP TO DATE

It is important to remind your agents and fellow peers to keep their information with the Commission current. We see this issue most frequently when we have agents request to reinstate their licenses. Licensees submit the request and Commission staff works to process the request, but we do not have a current email or phone number to contact. This also happens with notices for renewal, E&O, and complaints.

TEXT US!

As part of our efforts to modernize how we reach our licensees and better serve Tennesseans, we are now accepting questions via text message! This is a pilot program that we are in the early stages of operating. Want to know the status of your license? Need to find out how many hours of continued education you have? Text us at 615-741-2273 and get information from our Customer Service Team.

DISCIPLINARY ACTION REPORT | MARCH - JUNE, 2019

RESPONDENT	LOCATION	VIOLATION	ACTION	DATE
Jennifer Simshauser	Murfreesboro, TN	Unlicensed Activity	\$1,000 Civil Penalty	3/6/2019
Ann Katherine Richards	Knoxville, TN	Failure to exercise reasonable skill and care	4 hours of continuing education specific to contracts	3/6/2019
Matt Shelton	Jackson, TN	Unlicensed activity	\$1,000 Civil Penalty	3/6/2019
Maria A. Chavez	Chattanooga, TN	Advertising violation	\$500 Civil Penalty	3/6/2019
Rebecca Cope English	Chattanooga, TN	Advertising violation	\$500 Civil Penalty	3/12/2019
Leigh Burch	Knoxville, TN	Unlicensed activity	\$2,000 Civil Penalty	3/22/2019
Parker Peery Properties	Dickson, TN	Failure to exercise reasonable skill and care	\$500 Civil Penalty	3/22/2019
The Deluxe Group	Nashville, TN	Unlicensed activity	\$2,000 Civil Penalty	3/22/2019
W. Craig Johnson, Jr.	Columbia, TN	Failure to supervise affiliate's E&O insurance renewal	\$200 civil penalty	4/2/2019
W. Craig Johnson, Jr.	Columbia, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	4/2/2019
W. Craig Johnson, Jr.	Columbia, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	4/2/2019
Patricia Goble	Columbia, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	4/3/2019
Philip Dildine	Gallatin, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	4/9/2019
Jeffrey C. Hallums	Lebanon, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	4/10/2019
Darlene Brown	Chattanooga, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	4/10/2019
Lisa McBride	Whitesburg, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	4/10/2019
Tyler Graham	Nashville, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	4/10/2019

DISCIPLINARY ACTION REPORT | MARCH - JUNE, 2019

RESPONDENT	LOCATION	VIOLATION	ACTION	DATE
OpenDoor Brokerage LLC	Nashville, TN	Failure to exercise reasonable skill and care	\$250 civil penalty plus 4 hours CE in contracts	4/10/2019
Networth Realty of Nashville, LLC	Nashville, TN	Advertising property listed by another licensee without written authorization from the property owner	\$1,000 civil penalty	4/10/2019
Shasta Smith	Hendersonville, TN	Failure to provide complainant with copy of client's specific list of objections as well as the notification of termination of the PSA	\$1,000 civil penalty plus 4 hrs CE in contracts	4/23/2019
Zachary Goodyear	Nashville, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	4/23/2019
Sandra D. Galyon	Seymour, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	4/23/2019
Lauren A. Griffin	Bristol, VA	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	4/23/2019
Max Elkinton	Memphis, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	4/23/2019
Dwayne Crews	Franklin, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	4/23/2019
Jason Wallace	Arlington, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	4/24/2019
Irene K. Yates	Kodak, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	4/24/2019
Ronald Lampley	Lewisburg, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	4/24/2019
Mark Fogarty	Knoxville, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	4/24/2019
James Cash	Murfreesboro, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	4/25/2019
Laura Dahl	Franklin, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	4/26/2019
Diane Martin	Clarksville, TN	Failure to supervise affiliate's E&O insurance	\$1,000 civil penalty	4/30/2019
Michael Doran	Dalton, GA	Failure to answer complaint	\$400 civil penalty	4/30/2019
Jay R. Kalbes	Hendersonville, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	5/1/2019
Terry D. Stevens	Old Hickory, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	5/7/2019
James C. Chris Carothers	Jackson, TN	Failure to supervise affiliate's E&O insurance	\$500 civil penalty	5/7/2019
Charles Yates	Kodak, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	5/8/2019
Charles Yates	Kodak, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	5/8/2019
Ingrid Prather	Athens, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	5/8/2019
Joshua Arnold	Milan, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	5/8/2019
Paul Pate	Nashville, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	5/16/2019
Brianna Morant	Nashville, TN	Advertising violation	\$500 civil penalty	5/22/2019
Jeffery Lynn Orr	Johnson City, TN	Practicing without a license and offering to give or pay cash rebates, cash gifts, or cash prizes	\$2,000 civil penalty	5/22/2019
Christopher Shea Thompson	Franklin, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	5/22/2019
Donald Anderson	Knoxville, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	5/22/2019
Thomas M. Slattery	Cordova, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	5/22/2019
Benton Forkum	Mount Juliet, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	5/22/2019
Tracy King	Knoxville, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	5/22/2019
Gene Adams	Memphis, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	5/22/2019
Kathryn Williams Jones	Murfreesboro, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	5/22/2019
Louise Percer	Cordova, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	5/22/2019
Shahrooz Fard	Gatlinburg, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	5/22/2019
Tyler Graham	Nashville, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	5/22/2019
June D. Slusser	Cherry Log, GA	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	5/22/2019
Larry D. Mathis	Waynesboro	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	5/22/2019

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RESPONDENT	LOCATION	VIOLATION	ACTION	DATE
Rebecca Alder-Loree	Brentwood, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	5/23/2019
Johnathan Shane Forester	Johnson City, TN	Co-mingling funds	\$32,000 civil penalty and \$2,237 costs	5/28/2019
Christopher Mosby	Cordova, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	5/29/2019
Debra Kennedy	Bristol, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	5/29/2019
Ray Elizabeth Uttenhove	Atlanta, GA	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	5/29/2019
Margaret Kay Worth	Columbia, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	5/29/2019
Christopher Mosby	Cordova, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	5/29/2019
Joe C. Johnson	Kingsport, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	5/29/2019
Aleah Armstrong	Nashville, TN	Failure to supervise	\$250 civil penalty	5/30/2019
Sharon Denise Groves	Greenbrier, TN	Unlicensed activity	\$500 civil penalty	5/30/2019
Charles McGuire	Nashville, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	5/30/2019
Charles McGuire	Nashville, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	5/30/2019
Charles McGuire	Nashville, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	5/30/2019
John Cothran	Eagleville, TN	Advertising violation	\$500 civil penalty	5/30/2019
Trish R. Barnett	Florence, AL	Advertising violation	N/A	6/5/2019
Lauderdale Partners Inc.	Florence, AL	Unlicensed activity	\$1,000 civil penalty	6/5/2019
Linda Lee Staley	Wetumpka, AL	Failure to supervise affiliate resulting in loss of E&O insurance	\$200 civil penalty	6/6/2019
Dustin Bosworth	Franklin, TN	Failure to supervise affiliate's E&O insurance	N/A	06/12/2019
Brett Leehans	Nashville, TN	Failure to supervise affiliate's E&O insurance	N/A	06/12/2019
Ronald Craig McCall	Clarksville, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	06/12/2019
William Hadley	Clarksville, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	06/12/2019
Aaron M. Taylor	Johnson City, TN	Failure to supervise affiliate's E&O insurance	N/A	06/18/2019
Michael Doran	Dalton, GA	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	06/18/2019
Van Hix Massengill	Morristown, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	06/21/2019
Eric Johnson	Nashville, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	06/21/2019
Tammy Lane-Coleman	La Vergne, TN	Improper, fraudulent, or dishonest dealing	N/A	6/27/2019
Terrel Coleman	La Vergne, TN	Improper, fraudulent, or dishonest dealing	N/A	6/27/2019
John Hetzler	Chattanooga, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	6/27/2019
Cheryl Muhammad	Memphis, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	6/27/2019
Marlene McGhee	Memphis, TN	Refusal to grant Commission access to books and records	Voluntary surrender of real estate broker license plus \$200 costs	6/28/2019
Charles McGuire	Nashville, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	6/28/2019
Charles McGuire	Nashville, TN	Failure to supervise affiliate's E&O insurance	\$200 civil penalty	6/28/2019
Brandon Baca	Franklin, TN	Failure to supervise affiliate's E&O insurance	\$400 civil penalty	6/28/2019
Eagle Lane Properties and Management, LLC	Memphis, TN	Refusal to grant the Commission access to books and records	Voluntary surrender of real estate firm license	6/28/2019
Ron Oslin	Chattanooga, TN	Misconduct	Voluntary surrender of real estate course instructor license	6/28/2019